

Washington State Department of **Veteran Affairs**

ITPS Work Order

Contract Number: <insert your contract number>

Purchaser: Washington Department of Veteran Affairs

Contractor: <insert successful bidder's company name>

Effective Date: <insert effective date>

Solicitation Coordinator: <insert solicitation coordinator's name>

Title: <insert title>

Phone: <insert phone>

Email: <insert email>

ITPS Category: <check all that apply to this project (the same ones used in the solicitation)>

- ☐ ITPS_08215_01. [IT Funding and Financial Analysis](#)
- ☐ ITPS_08215_02. [IT Business Analysis](#)
- ☐ ITPS_08215_03. [Continuity/Disaster Recovery](#)
- ☐ ITPS_08215_04. [IT Project Management](#)
- ☐ ITPS_08215_05. [Project Quality Assurance](#)
- ☐ ITPS_08215_06. [Software Testing](#)
- ☐ ITPS_08215_07. [Client/Server and Web Services](#)
- ☐ ITPS_08215_08. [Database Services](#)
- ☐ ITPS_08215_09. [GIS Services](#)
- ☐ ITPS_08215_10. [Infrastructure Services](#)
- ☐ ITPS_08215_11. [Mainframe Services](#)
- ☐ ITPS_08215_12. [Mobile Services](#)

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ITPS Work Order

PARTIES

This ITPS Work Order ("Contract") is made and entered into by and between the State of Washington acting by and through <insert your entity name>, a Washington state governmental entity ("Purchaser"), and <insert Contractor's name>, a <insert Contractor's legal status (e.g. corporation, partnership, sole proprietorship, etc.)> ("Contractor") and is dated as of <insert effective date>.

RECITALS

This Contract is part of the IT Professional Services Master Contract program (**Contract No. 08215**) administered by the Washington State Department of Enterprise Services ("DES"). Accordingly, Contractor, as a participant in the IT Professional Services Master Contract program is subject to the program requirements including, but not limited to, the registration, reporting, and evaluation obligations set forth therein.

Purchaser desires certain IT Professional Services which have been detailed in its Solicitation No. <insert solicitation number> dated <insert date>.

Contractor is capable of providing the desired IT Professional Services.

Purchaser and Contractor desire to contract for the IT Professional Services.

AGREEMENT

NOW THEREFORE, in consideration of the mutual promises, covenants, and conditions set forth herein, the Purchaser and Contractor (collectively, the "Parties") hereby agree as follows:

1. Term

The term of this Contract is <insert number of months> months, commencing <insert beginning month and date>, <insert year> and ending <insert ending month and date>, <insert year>

2. IT Professional Services

Contractor shall perform and provide the IT professional services detailed in *Exhibit A – IT Professional Services*. To the extent that Contractor subcontracts any of its rights or obligations, such subcontractors shall be deemed to be agents of Contractor and Contractor shall include the pertinent requirements of this Contract in any such subcontract. In no event, however, shall any such subcontract operate to release or reduce Contractor from liability to the Purchaser for any breach in the performance of Contractor's duties.

3. Compensation, Records and Audit

a. Compensation

Purchaser agrees to pay to Contractor, as total compensation for Contractor's complete performance of the IT professional services the compensation detailed in *Exhibit B – Compensation*. Such compensation, including the timing thereof, is subject to the performance metrics set forth in Exhibit B. Contractor shall invoice Purchaser in accordance with Exhibit B.

b. Records

Contractor shall maintain and retain records relating to this Contract for six (6) years after the expiration or termination of this Contract; *Provided*, however, that, in the event of litigation pertaining to this Contract, Contractor shall maintain and retain such records for one year following the termination of such litigation, including all appeals, or six years from the date of expiration or termination of this Contract, whichever is later.

c. Audit

All such records shall be subject to examination, inspection, copying, or audit at reasonable

times and upon prior notice by personnel so authorized by the Purchaser, the Office of the State Auditor, or federal officials, at no additional cost to the Purchaser. If requested by Purchaser and located elsewhere, Contractor shall provide access to these items within Thurston County, Washington. Contractor shall be responsible for any audit exceptions or disallowed costs incurred by Contractor or its agents.

4. Sales Reporting; Management Fee; Notices

a. Sales Reporting; Management Fee

Contractor shall report all amounts invoiced pursuant to this Contract to DES as instructed in Master Contract 08215. In addition, Contractor shall remit the applicable management fee to DES. Contractor's failure to report all amounts invoiced or remit the management fee when due shall constitute material breach of this Contract. Reference Master Contract 08215 for further detail.

b. Notices

Any notices required or desired shall be in writing and delivered (i) by email; (ii) by mail; or (iii) personally or by messenger, and shall be sent to the respective addressee at the respective email or address set forth below or to such other email or address as the Parties may specify in writing:

Purchaser

Attn: <insert contact>

<insert purchasing entity name>

<insert address>

<insert city, state zip>

<insert email>

Contractor

Attn: <insert contact>

<insert Contractor's name>

<insert address>

<insert city, state zip>

<insert email>

Notices shall be deemed effective upon the earlier of (i) confirmation of sent email when sent to the email address provided herein; (ii) four (4) business days from the date mailed; or (iii) upon delivery if hand delivered or delivered by messenger. The notice address set forth herein may be changed by written notice given as provided herein.

5. Representations and Warranties

Contractor makes the following representations and warranties without which Purchaser would not enter into this Contract. Breach of any of these representations and warranties shall constitute material breach of this Contract.

a. Compliance with Law

Contractor represents and warrants that Contractor shall comply with all applicable laws, regulations, and licensing requirements pertaining to its activities and operations under this Contract. Contractor shall not commit any act or omission, nor shall it allow its personnel or agents to commit any act or omission, that affects Purchaser or is in violation of any law, regulation, or licensing requirement.

b. Compliance with State Policies

Contractor represents and warrants that Contractor shall comply with all applicable state policies pertaining to its activities under this Contract including, but not limited to, compliance with Washington State's IT, security, access, data protection, and privacy policies.

c. Qualified to do business

Contractor represents and warrants that Contractor is qualified to do business in the State of Washington and shall provide written confirmation upon request. Reference Master Contract 08215 for further detail.

d. Registration

Contractor represents and warrants that prior to commencement of work for Purchaser, Contractor shall register with the Statewide Payee Desk and shall provide written confirmation upon request. Reference Master Contract 08215 for further detail.

e. Debarment

Contractor represents and warrants that neither Contractor nor any of its personnel or agents are debarred or proposed for debarment from doing business with any state or local government in the United States or with the U.S. federal government.

f. Insurance

Contractor represents and warrants that, during the term of this Contract, Contractor shall maintain insurance, in full force and effect, to the levels and requirements detailed in *Exhibit C – Insurance Requirements*.

g. Industrial Insurance

Contractor represents and warrants that, prior to commencing any work under this Contract; Contractor shall have or obtain industrial insurance coverage for its employees and maintain the same throughout the term of this Contract. Contractor hereby waives its Industrial Insurance immunity to the extent required to indemnify, defend, and hold harmless Purchaser and its personnel and/or agents.

h. Taxes

Contractor represents and warrants that Contractor is registered with the Washington State Department of Revenue. Contractor further understands and agrees that any and all taxes pertaining to its activities are Contractor's sole obligation and Contractor promptly shall pay all such applicable taxes.

i. No Assignment

Contractor represents and warrants that Contractor shall not assign its rights under this Contract without Purchaser's prior written consent and Purchaser may consider any attempted assignment without such consent to be void; provided, however, that, if Contractor provides written notice to Purchaser within thirty (30) days, Contractor may assign its rights under this Contract in full to any parent, subsidiary, or affiliate of Contractor that controls or is controlled by or under common control with Contractor, is merged or consolidated with Contractor, or purchases a majority or controlling interest in the ownership or assets of Contractor. Unless otherwise agreed, Contractor guarantees prompt performance of all obligations under this Contract notwithstanding any prior assignment of its rights.

j. No Endorsement or Publicity

The Parties understand and acknowledge that this Contract is not in any way an endorsement of Contractor or Contractor's IT Professional Services by Purchaser and shall not be so construed or communicated as such in any advertising, promotional, or other materials pertaining to Contractor. Unless prior written permission is granted by Purchaser, Contractor shall not reference Purchaser or this Contract in any advertising, promotional, or other materials distributed or made available beyond Contractor, regardless of form or medium.

6. Termination, and Dispute Resolution

a. Termination for Default

This Contract may be terminated for default. If Contractor violates any material term or condition of this Contract or fails to fulfill in a timely and proper manner its obligations under

this Contract, Purchaser shall give Contractor written notice of such failure or violation, and the failure or violation shall be corrected by Contractor within thirty (30) calendar days or as otherwise agreed. If such breach is not capable of cure within thirty (30) days, Contractor must commence cure within such thirty (30) day period and diligently pursue completion of such cure. If Contractor's failure or violation is not so corrected, Purchaser may terminate this Contract by written notice. In the event of termination, Purchaser shall have the right to procure replacement IT Professional Services and Contractor shall be liable for all damages, including, but not limited to, the cost difference between the Contract price for the IT Professional Services and the replacement costs of such IT Professional Services; and any other costs to Purchaser resulting from Contractor's breach. The Parties understand and agree that Purchaser shall have the right to deduct from any compensation due to Contractor an amount for damages that Contractor will owe Purchaser for Contractor's default.

b. Termination for Convenience

Purchaser, in its sole discretion, may terminate this Contract for convenience when such termination is in the best interest of the Purchaser.

c. Termination for Lack of Funding or Authority

In the event that Purchaser's funding or authority to perform any of its duties pertaining to this Contract is withdrawn, reduced, or limited in any way after the commencement of this Contract and prior to normal completion, Purchaser may terminate this Contract.

d. Termination for Conflict

If, after reasonable investigation, Purchaser determines that either Contractor or Purchaser, including their respective personnel or agents, has violated the Ethics in Public Service law (RCW chapter 42.52), Purchaser shall terminate this Contract.

e. Written Notice for Termination

Any termination of this Contract shall be by written notice. With the exception of termination for default or for violation of the Ethics in Public Service law. In the event of termination, Purchaser shall be liable to Contractor for payment for IT Professional Services received and accepted by Purchaser prior to the effective date of such termination.

f. Non-exclusive Remedies

The remedies provided for in this Contract shall not be exclusive but are in addition to all other remedies available under law.

g. Dispute Resolution

To the fullest extent practicable, the Parties shall attempt to resolve disputes arising out of the performance of this Contract without resort to litigation. Disputes shall be resolved in a timely manner at the lowest possible level with authority to resolve such dispute. If a dispute persists and cannot be resolved, it may be escalated within each organization. If, however, within thirty (30) days of notice of any dispute, the Parties are unable to resolve the dispute, either party may commence litigation without further delay. In any such litigation, the prevailing party shall be entitled to an award of reasonable attorneys' fees including any on appeal.

7. Claims

a. Claims Between the Parties

Contractor hereby assumes sole responsibility and all risks of injury or property damage to itself and its employees, representatives, or agents in connection with Contractor's operations and activities under this Contract. Contractor shall pay for all damage to Purchaser's property resulting directly or indirectly from its acts or omissions under this Contract, even if not

attributable to negligence by Contractor or its agents.

b. Third-Party Claims; Indemnification

Contractor shall defend, indemnify, and hold harmless Purchaser and its employees and agents from and against all claims, demands, judgments, assessments, damages, penalties, fines, costs, liabilities or losses including, without limitation, sums paid in settlement of claims, attorneys' fees, consultant fees, and expert fees (collectively "claims") arising from any act or omission of Contractor or its successors, agents, and contractors under this Contract, except claims caused solely by Purchaser's negligence. This includes, without limitation, any claims for injury to or death of persons; damage to property; nuisance; mechanics' and materialmen's liens; workers' compensation and unemployment taxes; fines and penalties; and environmental damages, cleanups, and corrective actions. If Purchaser chooses to retain its own counsel, Contractor shall reimburse Purchaser for all costs reasonably incurred to defend against such claims through the attorneys of its choice. Contractor shall take all steps needed to keep Purchaser's property free of liens arising from Contractor's activities, and promptly obtain or bond the release of any such liens that may be filed. The foregoing indemnity and defense obligations shall survive the expiration or earlier termination of this Contract.

8. Other Provisions

a. Time Is of the Essence

Time is of the essence for each and every provision of this Contract.

b. Integrated Agreement

This Contract constitutes the entire agreement and understanding of the Parties with respect to the subject matter and supersedes all prior negotiations, representations, and understandings between them. There are no representations or understandings of any kind not set forth herein.

c. Amendment / Modification

This Contract may not be amended or modified except in writing and signed by a duly authorized representative of each party hereto.

d. Authority

Each party to this Contract, and each individual signing on behalf of each party, hereby represents and warrants to the other that it has full power and authority to enter into this Contract and that its execution, delivery, and performance of this Contract has been fully authorized and approved, and that no further approvals or consents are required to bind such party.

e. No Agency

The parties agree that no agency, partnership, or joint venture of any kind shall be or is intended to be created by or under this Contract. Neither party is an agent of the other party nor authorized to obligate it.

f. Binding Effect; Successor and Assigns

This Contract shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

g. Severability

If any provision of this Contract is held to be invalid or unenforceable, such provision shall not affect or invalidate the remainder of this Contract, and to this end the provisions of this Contract are declared to be severable. If such invalidity becomes known or apparent to the

Parties, the Parties agree to negotiate promptly in good faith in an attempt to amend such provision as nearly as possible to be consistent with the intent of this Contract.

h. Waiver

Failure of either party to insist upon the strict performance of any of the terms and conditions hereof, or failure to exercise any rights or remedies provided herein or by law, or to notify the other party in the event of breach, shall not release the other party of any of its obligations under this Contract, nor shall any purported oral modification or rescission of this Contract by either party operate as a waiver of any of the terms hereof. No waiver by either party of any breach, default, or violation of any term, warranty, representation, agreement, covenant, right, condition, or provision hereof shall constitute waiver of any subsequent breach, default, or violation of the same or other term, warranty, representation, agreement, covenant, right, condition, or provision.

i. Survival

All representations, warranties, covenants, agreements, and indemnities set forth in or otherwise made pursuant to this Contract shall survive and remain in effect following the expiration or termination of this Contract, *Provided*, however, that nothing herein is intended to extend the survival beyond any applicable statute of limitations periods.

j. Governing Law

The validity, construction, performance, and enforcement of this Contract shall be governed by and construed in accordance with the laws of the State of Washington, without regard to its choice of law rules.

k. Jurisdiction and Venue

In the event that any action is brought to enforce any provision of this Contract, the parties agree to submit to submit to exclusive in personam jurisdiction in Thurston County Superior Court for the State of Washington and agree that in any such action venue shall lie exclusively at Olympia, Washington.

l. Fair Construction and Interpretation

The provisions of this Contract shall be construed as a whole according to their common meaning and not strictly for or against any party and consistent with the provisions contained herein in order to achieve the objectives and purposes of this Contract. Each party hereto and its counsel has reviewed and revised this Contract and agrees that the normal rules of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be construed in the interpretation of this Contract. Each term and provision of this Contract to be performed by either party shall be construed to be both a covenant and a condition.

m. Further Assurances

In addition to the actions specifically mentioned in this Contract, the Parties shall each do whatever may reasonably be necessary to accomplish the transactions contemplated in this Contract including, without limitation, executing any additional documents reasonably necessary to effectuate the provisions and purposes of this Contract.

n. Captions and Headings

The captions and headings in this Contract are for convenience only and are not intended to, and shall not be construed to, limit, enlarge, or affect the scope or intent of this Contract nor the meaning of any provisions hereof.

o. Exhibits

All exhibits referred to herein are deemed to be incorporated in this Contract in their entirety.

p. Counterparts

This Contract may be executed in one or more counterparts, each of which shall be deemed an original and all of which counterparts together shall constitute the same instrument which may be sufficiently evidenced by one counterpart. Execution of this Contract at different times and places by the parties shall not affect the validity thereof so long as all the parties hereto execute a counterpart of this Contract.

EXECUTED AND EFFECTIVE as of the day and date first above written.

<insert name of Contractor>

<insert Purchaser's entity name>

By: _____ By: _____

Name: _____ Name: _____

Title: _____ Title: _____

Date _____ Date _____

Exhibit A: IT Professional Services

This exhibit sets forth the IT Professional Services and manner in which they are to be provided by Contractor.

1. Statement of Work

A Statement of Work (SOW) is a very powerful project management tool. Putting a bit of time into creating a detailed SOW will help to ensure that work is being performed according to your specifications and expectations

- a. **Introduction/Background** This section should provide a general description of the project as well as highlight the project's background and what is to be gained by the project.

Example:

Purchaser has recently approved the Website Redesign Project in support of its strategic plan to enhance its support for the citizens of the state. In order to provide more timely feedback and improved citizen interaction, the Website Redesign Project will focus on building a content rich website which provides a simplified and more user-friendly approach. It is imperative that Purchaser utilizes its web site as a platform for communicating new developments, recent news, and other information.

Purchaser also realizes the importance of supporting the citizens of the state; which the new web site will allow the ability to do. In order to accomplish this, Purchaser seeks to outsource the design, testing, implementation, and training for the new website. Purchaser anticipates that its new website will move the agency forward in its multi-tiered approach to supporting the citizens of the state.

- b. **Scope of Work** While specific deliverables and tasks will be presented in the Work Requirements section; this section should highlight what is and is not included in the project in broader terms.

Example:

The scope of work for the Website Redesign Project includes all planning, execution, implementation, and training for a new public-facing internet site for Purchaser. The Contractor will be responsible for the design of the new website based on feedback to be provided by Purchaser. Each stage of the project will require Purchaser approval before moving on to the next stage. Contractor must ensure it has adequate resources for designing, building, testing, and implementing the new web site and is staffed for the training of Purchaser's staff as well. Deliverables and milestones will be listed in the Work Requirements and Schedules/Milestones sections below.

- c. **Period of Performance** This section should define the time period over which the project will occur. This must coincide with or happen within the Contract term. If there are delays in a project and it will not be completed within the Contract term, a contract amendment may be required and the costs of the project will most likely increase as well.

Example:

The period of performance for the Website Redesign Project is one year (365 days) beginning on March 2, 20xx through March 3, 20xx. All work must be scheduled to complete within this timeframe. Any modifications or extensions will be requested through Purchaser for review and discussion.

- d. **Place of Performance** This section should describe where the work will be performed. It is important to define this in case you require the Contractor to work at your site and to clarify any equipment and/or work space that will be provided.

Example:

Contractor will perform a majority of the work at its own facility. Contractor will be required to meet at Purchaser's site once per week (day and time TBD) for a weekly status meeting. Additionally, all project gate reviews will be held at Purchaser's site and attended by the Contractor. Purchaser will provide and arrange for meeting spaces for all required meetings. Once the project reaches the training phase, all training will be conducted at Purchaser's site.

- e. **Work Requirements** This section should include what tasks need to be completed in order for successful completion of this Contract. Every effort should be made to include as much detail as possible.

Example:

As part of the Website Redesign Project, Contractor will be responsible for performing tasks throughout various stages of this project. The following is a list of these tasks which will result in the successful completion of this project:

Kickoff:

- Contractor will create and present detailed project plan including schedule, testing plan, implementation plan, training plan, and transition plan
- Contractor will present project plan to Purchaser for review and approval

Design Phase:

- Contractor will work with Purchaser to gather requirements and establish metrics
- Contractor will create site design based on collected requirements
- Contractor will develop site design proposal for Purchaser review and approval
- Contractor will present written status at weekly meeting

Build Phase:

- Contractor will complete all coding for approved site design
- Contractor will provide SCG with a detailed testing plan
- Contractor will include all content provided by Purchaser on redesigned web site
- Contractor will conduct testing in both their iLab as well as in a limited beta release
- Contractor will resolve any coding and site issues identified in testing
- Contractor will compile a testing report to present to SCG for review/approval
- Contractor will present written status at weekly meeting

Implementation Phase:

- Contractor will implement the newly redesigned web site on Purchaser's servers
- Contractor will begin providing 24x7 web site support at this point forward until the end of the period of performance
- Contractor will present written status at weekly meeting

Training Phase:

- Contractor will provide training in accordance with approved training plan provided in the kickoff
- Contractor will present written status at weekly meeting

Project Handoff/Closure:

- Contractor will provide SCG with all documentation in accordance with the approved project plan
- Contractor will present project closure report to SCG for review and approval
- Contractor will complete the project requirements checklist showing that all project tasks have been completed
- Contractor will conclude 24x7 web support at 11:59pm on the final day of the period of performance
- Contractor will present written status at weekly meeting

- f. **Schedule/Milestones** This section should define the schedule of deliverables and milestones for the project.

Example:

The below list consists of the initial milestones identified for the Website Redesign Project:

<i>RFP Release</i>	January 2, 20xx
<i>Evaluation</i>	February 1-28, 20xx
<i>Apparent Successful Bidder Selection</i>	March 1, 20xx
<i>Contract Begins</i>	April 2, 20xx
<i>Website Design Review</i>	August 31, 20xx
<i>Website Implementation Review</i>	November 30, 20xx
<i>Implementation Complete</i>	December 31, 20xx
<i>Training Complete</i>	February 20, 20xx
<i>Project Completion Review</i>	February 25, 20xx
<i>Handoff/Closure</i>	March 3, 20xx

- g. **Acceptance Criteria** This section defines how the customer will accept the deliverables resulting from this SOW. Acceptance of deliverables must be clearly defined and understood by all parties. This section should include a description of how both parties will know when work is acceptable, how it will be accepted, and who is authorized to accept the work.

Example:

For the Website Redesign Project the acceptance of all deliverables will reside with Purchaser's Contract Administrator. The Contract Administrator will maintain a small team of three advisors in order to ensure the completeness of each stage of the project and that the scope of work has been met. Once a project phase is completed and the Contractor provides its report/presentation for review and approval, the Contract Administrator will either sign off on the approval for the next phase to begin, or reply to the Contractor, in writing, advising what tasks must still be accomplished.

Once all project tasks have been completed, the project will enter the handoff/closure stage. During this stage of the project, the vendor will provide their project closure report and project task checklist to Purchaser's Contract Administrator. The acceptance of this documentation by the Contract Administrator will acknowledge acceptance of all project deliverables and that the Contractor has met all assigned tasks.

Any discrepancies involving completion of project tasks or disagreement between Purchaser and Contractor will be referred to both organizations' contracting offices for review and discussion.

- h. **Other Requirements**

Any special requirements, such as security requirements (personnel with security clearance and what level, badges, etc.) should be described in this section. There should also be a description of any IT access restrictions/requirements or system downtime/maintenance if required.

Example:

All Contractor team members will submit security forms to Purchaser for clearance and access badges to the facility. All Contractor programmers and quality control team members will be granted access to Purchaser's servers and all necessary IT functions. They will also be given temporary accounts which are to be used only for work pertaining to the Website Redesign Project. Upon completion of the project these accounts will be closed.

All programming and testing will be done in the iLab. A network outage will be scheduled for the implementation phase of this project. Prior to the network outage, all servers will be backed up and a notification will be distributed to all users.

2. Work Product / Ownership Rights

Any custom additions and modifications to Contractor's pre-existing material and all data and work products produced pursuant to this Contract shall collectively be called "Work Product." Purchaser shall have and retain all ownership, right, title, interest and all intellectual property rights to Work Product. To the extent that any such rights in the Work Product vest initially with the Contractor by operation of law or for any other reason, Contractor hereby perpetually and irrevocably assigns, transfers and quitclaims such rights to Purchaser. Ownership includes the right to copyright, patent, register and the ability to transfer these rights and all information used to formulate such Work Product. Contractor warrants that it is the owner of the Work Product and pre-existing material and that it has full rights to assign and license the same to Purchaser. Work Product includes, but is not limited to, discoveries, formulae, ideas, improvements, inventions, methods, models, processes, techniques, findings, conclusions, recommendations, reports, designs, plans, diagrams, drawings, software, databases, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions, to the extent provided by law. During the term of this Contract and any time thereafter, Contractor shall execute all documents and perform such other proper acts as Purchaser may deem necessary to secure for Purchaser the rights herein granted, and when so obtained or vested, to maintain, renew, and restore the same. Contractor shall not use or in any manner disseminate any Work Product to any third party, or represent in any way Contractor ownership in any Work Product. Contractor shall take all reasonable steps necessary to ensure that its personnel and agents shall not copy, disclose, transmit or perform any Work Product or any portion thereof, in any form, to any third party. Contractor hereby grants to Purchaser a non-exclusive, royalty-free, irrevocable license to use, publish, translate, reproduce, deliver, perform, display, and dispose of materials and know-how that are delivered under this Contract, but that do not originate therefrom pre-existing material. Contractor shall exert best efforts to advise Purchaser of all known or potential infringements of publicity, privacy or of intellectual property rights of the pre-existing material furnished under this Contract. Purchaser shall receive prompt written notice of each notice or claim of copyright infringement or infringement of other intellectual property right worldwide received by Contractor with respect to any pre-existing material delivered under this Contract. Purchaser shall have the right to modify or remove any restrictive markings placed upon the pre-existing material by Contractor.

3. Specified Personnel for IT Professional Services

Contractor shall use best efforts to ensure that personnel assigned to this Contract are available until the completion of the Contract. Any proposal by Contractor for changes, replacement, or substitution of personnel during the term of the Contract shall be submitted to Purchaser in writing. Purchaser shall have the sole discretion to accept or reject such proposal. As a condition to accepting Contractor's proposal for personnel changes, Purchaser may require Contractor to compensate Purchaser for any training and administrative costs incurred by Purchaser in association with such replacement. Such compensation will be in the form of a credit against Contractor's compensation. If Purchaser does not accept Contractor's proposed change and Contractor is unable to provide acceptable personnel to Purchaser within ten (10) business days after the originally assigned personnel have left, then Purchaser may terminate this Contract.

Exhibit B: Compensation

1. Compensation

Deliverable example:

Compensation. Payment for the services associated with this Contract will be based on completion of the deliverables described herein and approval of the deliverable by the Purchaser.

Milestone Compensation Table		
Deliverable	Due Date	Milestone Payment
1. [Deliverable Title]	[mm/dd/yyyy]	
2. [Deliverable Title]	[mm/dd/yyyy]	
3. [Deliverable Title]	[mm/dd/yyyy]	
4. [Deliverable Title]	[mm/dd/yyyy]	
Maximum Compensation for This Contract		

In the event additional funds become available, this Contract may be renegotiated to provide for additional services subject to continued satisfactory completion of work as specified herein. Prior to commencing any work that exceeds the Contract specification, written approval from the Purchaser must be received.

Hourly compensation example:

Compensation. Invoices will be based on hours worked. Payment will be approved by the Purchaser following Purchaser's review and verification that the Contractor has performed the work as detailed herein. A timesheet detailing all work performed broken down to the quarter hour must be maintained by the Contractor. Deliverables and detail must show a direct correlation to the work listed in the solicitation and this Contract.

Hourly Compensation Table					
Name	Est. Performance Period		Estimated Hours	Hourly Rate	Extended Cost
	From	To			
1. [Name]	[mm/dd/yyyy]	[mm/dd/yyyy]			
2. [Name]	[mm/dd/yyyy]	[mm/dd/yyyy]			
3. [Name]	[mm/dd/yyyy]	[mm/dd/yyyy]			
4. [Name]	[mm/dd/yyyy]	[mm/dd/yyyy]			
Maximum Compensation for This Contract					

In the event additional funds become available, this Contract may be renegotiated to provide for additional services subject to continued satisfactory completion of work as specified herein. Prior to commencing any work that exceeds the Contract specification, written approval from the Purchaser must be received.

2. **Invoicing Requirements.** Contractor shall submit properly itemized invoices to Purchaser for any and all work pertaining to this Contract. Incorrect or incomplete invoices will be returned by Purchaser to Contractor for correction and reissue. Invoices shall provide and itemize the following:

<insert Contract-specific invoicing requirements>

3. **Payment.** Payments shall be due and payable within thirty (30) calendar days after provision and acceptance of Contractor's IT Professional Services or thirty (30) calendar days after receipt of properly prepared invoices, whichever is later.
4. **No Advance Payment.** No advance payment shall be made for IT Professional Services provided by Contractor pursuant to this Contract.
5. **Completion Guarantee.** Contract agrees that Purchaser may withhold ten percent (10%) from each payment until final acceptance of Contractor's IT Professional Services. Upon final acceptance, such withheld compensation shall be paid to Contractor.
6. **Overpayments.** Contractor shall refund to Purchaser the full amount of any erroneous payment or overpayment within thirty (30) days of such notice.

Exhibit C: Insurance Requirements

<modify as appropriate for your project's insurance requirements and if applicable, insert additional project-specific requirements>

1. Insurance Required

Prior to commencement of any activity under this Contract, Contractor, at Contractor's sole expense, shall obtain and maintain in full force and effect during the term of this Contract and during any other period during which Contractor is acting pursuant to this Contract, the insurance coverages set forth herein on Contractor's operations and activities. Failures to purchase, maintain, and provide evidence of the required insurance shall constitute material default.

- a. **Insurer.** Contractor shall acquire such insurance from an insurance carrier or carriers licensed to conduct business in the State of Washington and having a rating of A-, Class VII or better, in the most recently published edition of Best's Reports.
- b. **Evidence of Coverage.** Contractor shall furnish to Purchaser copies of certificates and endorsements of all required insurance within thirty (30) calendar days of this Contract's effective date, and copies of renewal certificates and endorsements of all required insurance within thirty (30) calendar days after the renewal date. These certificates of insurance must expressly indicate compliance with each and every insurance requirement specified in this exhibit. Such policies also shall reference this Contract number.
- c. **Advance Notice of Revocation.** Such policies shall have a condition that they not be revoked by the insurer until forty-five (45) calendar days after notice of intended revocation thereof shall have been given to Purchaser by the insurer.
- d. **Cancellation.** In the event of cancellation, non-renewal, revocation, or other termination of any insurance coverage required by this Contract, Contractor shall provide written notice of such to Purchaser within one (1) business day of Contractor's receipt of such notice.
- e. **Additional Insured.** With the exception of the Professional Liability, Automobile Liability, and Workers Compensation coverages, the Purchaser shall be named as an Additional Insured and Contractor shall provide a copy of the policy endorsement(s) designating Purchaser as an additional named insured.
- f. **Primary Insurance.** All insurance provided by Contractor shall be primary as to any other insurance or self-insurance programs afforded to or maintained by the Purchaser and shall include a severability of interests (cross-liability) provision.
- g. **Subcontractors.** Contractor shall include all subcontractors as insureds under all required insurance policies, or shall furnish separate certificates of insurance and endorsements for each subcontractor. Subcontractor(s) shall comply fully with all insurance requirements stated herein. Failure of subcontractor(s) to comply with insurance requirements does not limit Contractor's liability or responsibility.
- h. **Contractor's Liability.** By requiring insurance herein, Purchaser does not represent that coverage and limits will be adequate to protect Contractor. Such coverage and limits shall not limit Contractor's liability under this Contract.

2. Insurance Coverage: Minimum Acceptable Insurance Policy Limits

The minimum acceptable limits shall be as stated below, with no deductible for each of the following categories:

- a. **Commercial General Liability Insurance (including Employers Liability Coverage).** Coverage form shall be equivalent to form CG00001. GL limits of liability shall be least \$1,000,000 per occurrence and \$2,000,000 annual aggregate. Employers Liability limits shall be Bodily Injury by Accident: \$1,000,000 each accident/Bodily Injury by Disease: \$1,000,000 policy limit/Bodily Injury by Disease: \$1,000,000 each employee.

- b. Automobile Liability Insurance.** This Insurance shall apply to all owned, non-owned, and hired vehicles. Limits of liability shall not be less than \$1,000,000 combined single limit per accident.
- c. Property Insurance.** Contractor shall provide evidence of "All-Risk" property insurance including coverage for Earthquake and Flood for all locations where State of Washington data is held. This coverage shall include all Computer Property. This insurance shall also include coverage for Business Interruption and Extra Expense that extends to the loss of Computer Property. Limits shall be declared and subject to review and approval by the state of Washington.
- d. Umbrella Policy.** Providing excess limits over the primary policies in an amount not less than \$3 million.
- e. Workers' Compensation or Industrial Accident Insurance.** Statutory Workers Compensation insurance for all employees.
- f. Cyber Liability Insurance.** Limits of liability shall not be less than \$5,000,000 per claim for First and Third Party coverage. Contractors who offer a Software-as-a-Service type solution will be required to provide Cyber Liability Insurance sufficient to cover the costs of a potential data security breach involving all SaaS customer's data at any Contractor location or downstream Contractor location.
- g. Professional Liability (Errors and Omissions) Insurance.** Limits of liability shall not be less than \$5,000,000 per claim and \$10,000,000 annual aggregate.
- h. Crime Insurance.** To cover computer fraud and/or misuse of Purchaser's data by Contractor's personnel or agents. Limits of liability shall not be less than \$1,000,000 per claim.